



Subject: REPORTING OBJECTIVES AND STANDARDS

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5-00-00 REPORTING OBJECTIVES

An accounting system fully accomplishes its intended function only when the information reflected in the accounts is regularly, consistently, promptly, and reliably assembled in formats suitable to the uses of management. The effectiveness and related qualifications of an agency's accounting system and procedures will be measured largely by its capacity and ability to produce valid, useful, and timely data.

Agency accounting systems and procedures will be designed primarily to produce directly most of the reports needed at the top and middle management levels and to facilitate by appropriate measures the prompt preparation and distribution of all other reports.

In large measure, the format and content of external reports are either fixed by statute or the published requirements of the central control agencies. These reports are among those dealt with in subsequent chapters of this manual part. However, the structure of an agency's accounting system and its reporting provisions cannot be allowed to rest solely upon this narrow base. The reports required by the Department and by internal agency management must also be fully considered in the system design.

5-00-10 REPORTING STANDARDS

- A. The general standards to be observed by agencies within the Department in preparing data presentations in the form of reports and analyses prepared in whole or part from accounting records are as follows:

- 1. Completeness and Clarity

- All essential facts relating to the scope and purpose of each presentation and the period of time involved shall be included and clearly displayed. The

requirements and intent of prescribed reports shall be fully and clearly served. Reports shall be maintained on a consistent basis from period to period. Material changes in bases and classifications will be fully disclosed together with their effect on the data reported.

2. Accuracy and Reliability

The requirement for accuracy does not rule out the inclusion of reasonable estimates when precise measurements are not available, are inappropriate, or are conducive to unreasonable delay. The basis and reason for inclusion of estimates should be clearly stated. All steps should be taken to avoid bias, presentation of misleading information, or the obscuring of significant facts and relationships.

3. Timeliness

Reports must be produced promptly. Scheduled reports will be produced in accordance with the time allotments specified.

4. Relation to the Accounts

Reports shall be based on official accounting records maintained within prescribed standards. Where reports or data are either (1) translated from the accounts or (2) are based on sources other than the accounts this fact shall be clearly disclosed. In the first instance, a record of the methods and basis employed in transforming the data into the form of the report so as to enable reconciliation to the accounts, will be prepared and made a part of the records. In the second instance, the source will be disclosed and if as in (1) above a translation is made, the procedure specified will apply to enable reconciliation to the source.

5. Status of Reports

Reports, analyses, and related work papers form an integral part of the formal accounting records from which they are compiled. They will be maintained so as to be clearly and readily accessible for repeated reference to the information compiled and the methods employed.

5-00-20 STRUCTURE AND CONTENT

The basic structure and content of reports specified by the central control agencies and the Department are as prescribed in the various circulars, memorandums, and published procedures requiring their submittal. The structure content and arrangement of these and further details concerning the standards and guidelines applicable to internal reports are discussed in subsequent chapters of this manual part.

5-00-30 PERIODIC REVIEW AND EVALUATION

All aspects of reports and reporting will be periodically reviewed with agency management in respect to the following:

- A. Relevancy of content and format.
- B. Timing of production and release in relation to the need for the information.
- C. Relationship to the accounts and accounting process i.e.; production efficiency and cost.
- D. Accuracy and reliability.
- E. Other information needs in the management processes not presently supplied.